

REC'D NO. 22581-00 FILED

OCT 04 '04 1:51 PM

SURFACE TRANSPORTATION BOARD

FIRST UNION RAIL

One O'Hare Centre
6250 River Road, Suite 5000
Rosemont, IL 60018

Tel 847 318-7575
Fax 847 318-7588

VIA UPS 2nd DAY AIR

September 29, 2004

Mr. Vernon E. Williams
Surface Transportation Board
1925 K Street, N.W., Room 704
Washington, DC 20423-0001
Attn: Recordation of Railroad Equipment

Re: Memorandum of Lease Agreement

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are three (3) originals of a Memorandum of Lease Agreement, dated July 23, 2004, a secondary document as defined in the Board's Rules for the Recordation of Documents. The enclosed document relates to the Lease Agreement which was duly filed with the Commission under Recordation Number 22581.

The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation
One O'Hare Center
6250 River Road, Suite 5000
Rosemont, IL 60018

Lessee: Cascade & Columbia River RR
5300 Broken Sound Blvd., NW
Boca Raton, FL 33487

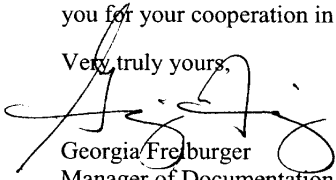
A description of the railroad equipment covered by the enclosed document is thirty (30) 4750 cu. ft. covered hopper cars, with NOKL marks (see Exhibit A for car numbers).

A short summary of the document to appear in the index follows: Memorandum of Lease

Also enclosed is a check in the amount of \$30.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned along with the additional copies.

If you have any questions regarding the above-referenced matter, please contact me at (847) 384-5387. Thank you for your cooperation in this matter.

Very truly yours,


Georgia Freiburger
Manager of Documentation

Enclosures

(CSCD087)


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RECORDATION NO. 22581-00 FILED

ASSGN. NO.: CSCD087

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MEMORANDUM OF LEASE

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 23rd day of July, 2004, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Cascade and Columbia River Railroad Co. ("Lessee"), a Delaware corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of June 15, 1997, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 85 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of August 31, 2004, and subject to the terms, conditions and provisions of the above-mentioned Lease and Rider.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

LESSOR:

FIRST UNION RAIL CORPORATION

ATTEST:

By: [Signature]
Name: GEORGIA FREIBURGER

By: [Signature]
Name: RICHARD F. SEYMOUR
Title: Vice President Sales & Marketing

Title: MGR OF DOCUMENTATION Executed on this 23rd day of July, 2004.

[CORPORATE SEAL]

STATE OF ILLINOIS

COUNTY OF COOK

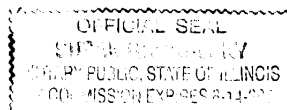
I, SUSAN GROKULSKY, a Notary Public of the County and State aforesaid, certify that RICHARD F. SEYMOUR personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 23rd day of July, 2004.

[Signature]
Notary Public

My Commission Expires:

8-14-2004
(Notary Public)



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LESSEE:

CASCADE AND COLUMBIA RIVER RAILROAD CO.

By: _____

Name: Sandra K. Franger

Title: V.P. - Contracts

ATTEST:

By: David McCloud

Name: David McCloud

Title: Manager - Fleet

Executed on this 20th day of July, 2004.

[CORPORATE SEAL]

STATE OF Florida

COUNTY OF Palm Beach

I, Michele Beach, a Notary Public of the County and State aforesaid,
certify that Sandra K. Franger personally appeared before me this day and acknowledged his
due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 20th day of July, 2004.

Michele A. Beach
Notary Public

Commission Expires:

March 20, 2008
(Notary Public)



Michele R. Beach
My Commission DD300634
Expires March 20, 2008

EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Thirty (30)

DESCRIPTION OF CARS: 4750 cu. ft. 268 GRL Covered Hopper Cars with trough hatch
 covers and gravity gates

CAR NUMBERS:

NOKL 821519
NOKL 821524
NOKL 822097
NOKL 822519
NOKL 828281
NOKL 828418
NOKL 828745
NOKL 830223
NOKL 830522
NOKL 830825
NOKL 830859
NOKL 832320
NOKL 832321
NOKL 832331
NOKL 832340
NOKL 832341
NOKL 832379
NOKL 832410
NOKL 832411
NOKL 832416
NOKL 832419
NOKL 832434
NOKL 832438
NOKL 832441
NOKL 832442
NOKL 832454
NOKL 832457
NOKL 832466
NOKL 832484
NOKL 832736
Count: 30